

April 6, 2007

Chairman Kevin Martin  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW – Room 8-B201  
Washington, DC 20554

Dear Chairman Martin:

On behalf of the Idaho State Broadcasters Association, I am enclosing the resolution recently adopted by its Board of Directors. As expressed in the resolution the Idaho State Broadcasters Association is opposed to the proposed merger of the only two satellite radio companies, XM and Sinus.

The proposed merger will create a government-sanctioned monopoly which is anticompetitive and we ask that on behalf of the citizens of the state of Idaho, you vigorously oppose the merger and express your opposition to the Department of Justice, the U.S. Attorney General, and members of the Idaho congressional delegation. The proposed merger will result in a monopoly that:

- violates current Federal Communication Commission rules prohibiting only one provider of satellite radio in the satellite radio market;
- will be able to exercise unlimited market power which will allow it to raise subscription rates without limit, reduce program diversity and cause subscribers to incur long-run equipment costs;
- will be able to monopolize national and regional programming such as sports and entertainment events through exclusive arrangements;

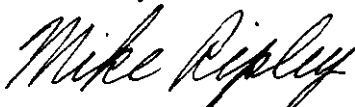
will exploit its monopoly power and unfairly compete with other media for national advertising by offering artificially low (subsidized) advertising rates; and

will cross-subsidize its offering of new services and unfairly compete with local radio stations through its monopolization of the only national multi-channel, mobile, radio service in the country.

The proposed attempt to create a government-sanctioned monopoly will severely harm consumers, musicians, broadcasters and the public if it is allowed to go through. The Idaho State Broadcasters Association stands ready to assist you in opposing this merger.

Please feel free for you or staff to call me should you need any information with regard to the harmful impacts this merger will have on the citizens and consumers of Idaho.

Sincerely,



Mike Ripley, Chairman  
Idaho State-Broadcasters Association

270 N. 27<sup>th</sup> St., Ste B  
Boise, ID 83702-4741  
Phone: 208 345-3072  
Fax: 208 343-8046  
e-mail: isba@>idacom.net

No. of Copies rec'd 0  
List ABCDE

**RESOLUTION OF THE Idaho State Broadcasters Association OPPOSING THE PROPOSED  
MERGER OF  
XM AND SIRIUS SATELLITE RADIO COMPANIES**

Adopted April 3, 2007

**WHEREAS**, XM and Sirius Satellite radio companies have announced their plans to form a government-sanctioned monopoly leaving only one company functioning in the satellite radio market; and

**WHEREAS**, The Idaho State Broadcasters Association is a trade association consisting of 65 members in the state of Idaho representing radio and television stations and companies and individuals that supply and use broadcast-related, post-production, multimedia and telecommunication equipment and services; and

**WHEREAS**, the Idaho State Broadcasters Association believes that such a merger creating a total government-sanctioned monopoly in the satellite radio market will be harmful to consumers, musicians, broadcasters and the public because the resulting monopoly:

- violates current Federal Communication Commission rules prohibiting only one provider of satellite radio in the satellite radio market;
- will be able to exercise unlimited market power which will allow it to raise subscription rates without limit, reduce program diversity and cause subscribers to incur long-run equipment costs;
- will be able to monopolize national and regional programming such as sports and entertainment events through exclusive arrangements;
- will exploit its monopoly power and unfairly compete with other media for national advertising by offering artificially low (subsidized) advertising rates; and
- will cross-subsidize its offering of new services and unfairly compete with local radio stations through its monopolization of the only national multi-channel, mobile, radio service in the country.

**WHEREAS**: in 1997 when the Federal Communications Commission first considered the issuance of licenses for satellite radio services, Sirius' predecessor filed comments with the Commission arguing that multiple providers were necessary to assure competition, guarantee program diversity and expressing concern that allowing mergers such as this to occur in the future would "have serious anticompetitive repercussions;" and

**WHEREAS**, the satellite radio market has not changed significantly to justify altering current federal regulatory prohibitions against such mergers; and

**WHEREAS**, given the past history of violating Federal Communication Commission rules by both XM and Sirius there is ample cause to be concerned and alarmed that any concessions agreed to by the merging parties will not be fulfilled; and

**WHEREAS**, the Idaho State Broadcasters Association believes that competition is the cornerstone of an efficient and fair marketplace and that it is wrong for the government to sanction a monopoly in the satellite radio market and thereby disadvantage consumers, musicians, broadcasters and the public; now, therefore, be it

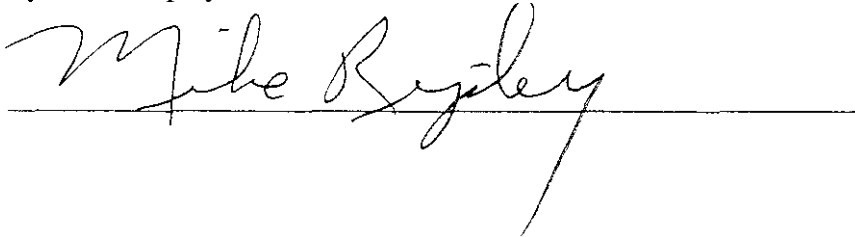
**RESOLVED** by the Idaho State Broadcasters Association, That the Congress, the Federal Communications Commission, the Attorney General of the United States and the Justice Department and the Attorney General for the State of Idaho be urged to oppose any merger between the only *two* competing satellite radio companies and refrain from sanctioning a monopoly that such a merger will create: and

**RESOLVED FINALLY.** That the President of Idaho State Broadcasters Association transmit copies of this resolution to the:

- Attorney General of Idaho
- President of the United States Senate,
- Speaker of the U.S. House of Representatives,
- Members of the Idaho Congressional Delegation,
- Commissioners of the Federal Communications Commission, and
- Attorney General for the United States

so that they may be apprised of the sense of the Idaho State Broadcasters Association in this matter.

By: Mike Ripley, Chairman, Idaho State-Broadcasters Association

A handwritten signature in cursive script, reading "Mike Ripley", is written over a horizontal line. The signature is fluid and extends slightly below the line.